

LEGISLATURE OF NEBRASKA  
NINETY-SIXTH LEGISLATURE  
FIRST SESSION

**LEGISLATIVE BILL 566**

Introduced by Schrock, 38; Bruning, 3; Tyson, 19

Read first time January 19, 1999

Committee: Natural Resources

A BILL

1 FOR AN ACT relating to public power and irrigation districts; to  
2 amend section 70-637, Revised Statutes Supplement, 1998;  
3 to change provisions relating to bidding requirements for  
4 certain purchases; to harmonize provisions; and to repeal  
5 the original section.  
6 Be it enacted by the people of the State of Nebraska,

1               Section 1. Section 70-637, Revised Statutes Supplement,  
2   1998, is amended to read:

3               70-637. Before any district enters into any contract for  
4   the construction, reconstruction, remodeling, building, alteration,  
5   maintenance, repair, extension, or improvement of any power plant  
6   or system, any ethanol producing or distributing system, any  
7   irrigation works, or any part or section thereof for the use of the  
8   district or for the purchase of any materials, machinery, or  
9   apparatus to be used in such construction, reconstruction,  
10   remodeling, building, alteration, maintenance, repair, extension,  
11   or improvement, such district shall cause estimates of the cost  
12   thereof to be made by some competent engineer or engineers. If  
13   such estimated cost exceeds the sum of one hundred thousand  
14   dollars, no such contract shall be entered into without advertising  
15   for sealed bids, except that (1) the board may negotiate directly  
16   with sheltered workshops pursuant to section 48-1503 and (2) with  
17   respect to contracts entered into by a district in the exercise of  
18   its rights and powers relating to radioactive material or the  
19   energy therefrom or to any technologically complex or unique  
20   equipment contracts or maintenance or repair contracts, if the  
21   engineer or engineers certify that by reason of the nature of the  
22   subject matter of the contract compliance with this section would  
23   be impractical and not in the public interest and the engineer's  
24   certification is approved by a two-thirds vote of the board, the  
25   provisions of sections 70-637 to 70-639 relating to sealed bids  
26   shall not apply and the district shall advertise notice of its  
27   intention to enter into such contract, the general nature of the  
28   proposed work, and the name of the person to be contacted for

1 additional information by anyone interested in contracting for such  
2 work. Any contract for which the board has approved such  
3 engineer's certificate shall be advertised in three issues not less  
4 than seven days between issues in one or more newspapers of general  
5 circulation in the district and in such additional newspapers or  
6 trade or technical periodicals as may be selected by the board in  
7 order to give proper notice of its intention to enter into such  
8 contract, and any such contract shall not be entered into prior to  
9 twenty days after the last advertisement. With respect to  
10 contracts in excess of one hundred thousand dollars entered into  
11 for the purchase of any materials, machinery, or apparatus to be  
12 used in the construction, reconstruction, remodeling, building,  
13 alteration, maintenance, repair, extension, or improvement of any  
14 power plant or system, any ethanol producing or distributing  
15 system, any irrigation works, or any part or section thereof when  
16 the contract does not include onsite labor for the installation  
17 thereof, if, after advertising for sealed bids, no responsive bids  
18 are received or if the board of directors of such district  
19 determines that all bids received are in excess of the fair market  
20 value of the subject matter of such bids, sections 70-637 to 70-639  
21 shall not apply.

22 Notwithstanding any other provision of sections 70-637 to  
23 70-639, a district may, without advertising or sealed bidding,  
24 purchase replacement parts or services relating to such replacement  
25 parts for any generating unit, transformer, or other transmission  
26 and distribution equipment from the original manufacturer of such  
27 equipment upon certification by an engineer or engineers that such  
28 manufacturer is the only available source of supply for such

1 replacement parts or services and that such purchase is in  
2 compliance with standards established by the board. A written  
3 statement containing such certification and a description of the  
4 resulting purchase of replacement parts or services from the  
5 original manufacturer shall be submitted to the board by the  
6 engineer or engineers certifying the purchase for its the board's  
7 approval. at the next scheduled meeting of the board by the  
8 engineer or engineers certifying the purchase. After such  
9 certification, but not necessarily before the board review, notice  
10 of any such purchase shall be published once a week for at least  
11 three consecutive weeks in one or more newspapers of general  
12 circulation in the district and published in such additional  
13 newspapers or trade or technical periodicals as may be selected by  
14 the board in order to give proper notice of such purchase.  
15 Notwithstanding any other provision of sections 70-637 to 70-639, a  
16 district may purchase used equipment and materials on a negotiated  
17 basis without advertising or sealed bidding upon certification by  
18 an engineer that such equipment is or such materials are in  
19 compliance with standards established by the board. A written  
20 statement containing such certification shall be submitted to the  
21 board by the engineer for the board's approval.

22           Sec. 2.     Original section 70-637, Revised Statutes  
23 Supplement, 1998, is repealed.